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ONE ARTICLE FROM OER'S ECONOMIC INTELLIGENCE WEEKLY REVIEW
ENDING 24 NOVEMBER 1978. REQUEST ARTICLE BE PASSED TO AMBASSADOR,
DCM, ECONOMIC SECTION AND OTHER WORKING LEVEL STATE OFFICERS.

PLEASE PASS TO OECD.

PLEASE PASS TO US MISSION TO EC.

PLEASE NOTE: BEGINNING WITH THE NEXT ISSUE, THE ECONOMIC INTELLIGENCE
WEEKLY REVIEW WILL BE ISSUED ON FRIDAY. CABLE VERSIONS OF ARTICLES
THEREFORE WILL BE SENT ONE DAY LATER AND SHOULD REACH YOU BY 008
THE FOLLOWING MONDAY.

TAIWAN: IMPRESSIVE EXPORT GAINS.

1. WORKING WITH INEXPENSIVE LABOR, LARGE INFUSIONS
OF FOREIGN CAPITAL, AND GOVERNMENT-SUPPORTED DEVELOPMENT
PROGRAMS, TAIWAN HAS ENTERED THE BIG LEAGUE AS AN EXPORTER
OF MANUFACTURED GOODS. IT WILL EXPORT MORE THAN \$12 BILLION
WORTH OF MERCHANDISE THIS YEAR--85 PERCENT MANUFACTURED
GOODS--AND CAPTURE AN IMPRESSIVE 2 PERCENT OF DEVELOPED
COUNTRY IMPORT MARKETS FOR MANUFACTURES. AMONG THE LESS

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DEVELOPED COUNTRIES (LDCS), ITS FOREIGN SALES OF MANUFACTURES RANK SECOND ONLY TO SOUTH KOREA.

2. TAIWAN IS GRADUALLY MOVING AWAY FROM ITS CURRENT BIG MONEY EARNERS--TEXTILES, CLOTHING, FOOTWEAR, AND ELECTRONICS--INTO MORE CAPITAL-INTENSIVE, TECHNOLOGICALLY ADVANCED PRODUCTS SUCH AS AUTOMOBILES, PETROCHEMICALS, AND WHOLE PLANTS. TAIPEI IS PUSHING HARD FOR DEVELOPMENT OF ADVANCED EXPORT INDUSTRIES BY GIVING FINANCIAL BREAKS TO FIRMS THAT PRODUCE IN THESE AREAS.

EXPORT PERFORMANCE.

3. TAIWAN'S EXPORT PERFORMANCE OVER THE LAST DECADE IS THE ENVY OF MOST OTHER LDCS. FOREIGN SALES HAVE GROWN AT A 30-PERCENT AVERAGE ANNUAL RATE DURING THE 1970S, FROM ONLY \$1.4 BILLION IN 1970 TO MORE THAN \$12 BILLION THIS YEAR.

4. TAIWAN'S BIG MONEY EARNERS CONTINUE TO BE ITEMS TRADITIONALLY ASSOCIATED WITH ASIAN LDCS SUCH AS TEXTILES, CLOTHING, AND SMALL ELECTRICAL PRODUCTS. THIS YEAR TAIWAN WILL SELL ABOUT:

\$2 BILLION WORTH OF CLOTHING, UP FROM \$200 MILLION IN 1970, MAINLY SYNTHETIC SHIRTS AND OUTERWEAR.

\$1 BILLION IN TEXTILES, PRINCIPALLY TO HONG KONG AND THE UNITED STATES.

\$2 BILLION IN ELECTRICAL MACHINERY AND CONSUMER APPLIANCES, INCLUDING TELEVISION SETS. MOST LEADING US AND JAPANESE PRODUCERS HAVE BEEN MANUFACTURING ELECTRONIC EQUIPMENT IN TAIWAN FOR MORE THAN A DECADE.

\$1 BILLION WORTH OF FOOTWEAR, PRIMARILY TO THE DEVELOPED COUNTRIES. BECAUSE OF AN ORDERLY MARKETING AGREEMENT WITH THE UNITED STATES, FOOTWEAR SALES ARE NOW CONCENTRATED IN MEDIUM- TO HIGHER-PRICED SHOES AND BOOTS IN CONTRAST TO THE \$1 TO \$2 PLASTIC SHOES AND CLOGS WHICH WERE THE INDUSTRY'S MAINSTAY ONLY THREE YEARS AGO.

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5. THESE FOUR CATEGORIES CURRENTLY EARN ABOUT \$6 BILLION ANNUALLY, UP FROM LESS THAN \$1 BILLION IN 1970. MOST FIRMS IN THESE INDUSTRIES ARE SMALL, YET ARE EQUIPPED WITH THE MOST MODERN MACHINERY. TAIWAN'S TEXTILE INDUSTRY, FOR EXAMPLE, USES THE MOST UP-TO-DATE SPINNING AND WEAVING EQUIPMENT AVAILABLE, PURCHASED MAINLY IN THE UNITED STATES AND JAPAN.

6. EVEN MORE IMPRESSIVE TRADE GAINS HAVE COME IN NEW PRODUCT LINES SUCH AS METAL MANUFACTURES, OFFICE EQUIPMENT, AND MACHINERY.

EXPORTS OF METAL MANUFACTURES--EXPECTED TO BE \$420 MILLION IN 1978--HAVE GROWN AT AN AVERAGE 45 PERCENT ANNUAL RATE OVER THE LAST FIVE YEARS, REFLECTING SHARPLY INCREASED ORDERS FROM TAIWANESE CONSTRUCTION FIRMS OPERATING IN THE BOOMING MIDDLE EAST MARKET.

SALES OF OFFICE MACHINERY (INCLUDING MINICOMPUTERS) AND CONSUMER ELECTRONICS NOW TOTAL \$800 MILLION ANNUALLY, UP FROM ONLY \$100 MILLION FIVE YEARS AGO. THE INCREASE COMES MAINLY FROM THE BURGEONING HAND CALCULATOR MARKET. TEXAS INSTRUMENTS, HEWLETT-PACKARD, AND FAIRCHILD INDUSTRIES ALL HAVE ASSEMBLY OPERATIONS IN TAIWAN, AND PHILIPS RECENTLY OPENED UP A PLANT TO PRODUCE INTEGRATED CIRCUITS. TAIWAN HAS ALSO MOVED HEAVILY INTO DIGITAL WATCHES (70 PERCENT ANNUAL EXPORT GROWTH SINCE 1970) AND SCIENTIFIC HOSPITAL EQUIPMENT.

WHOLE PLANT EXPORTS (MAINLY TEXTILE, FOOTWEAR, AND STEEL ROLLING PLANTS) GREW 40 PERCENT LAST YEAR IN RESPONSE TO STRONG DEMAND FROM OTHER PACIFIC BASIN LDCS AND SHOULD TOTAL \$330 MILLION IN 1978.

MOST OF THESE NEWER HIGH GROWTH INDUSTRIES OPERATE WITH TECHNOLOGY IMPORTED FROM THE UNITED STATES AND JAPAN AND ARE MORE CAPITAL-INTENSIVE THAN TAIWAN'S TRADITIONAL EXPORT INDUSTRIES.

MARKET PENETRATION.

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7. AMONG THE LDCS TAIWAN IS SECOND ONLY TO SOUTH KOREA IN TERMS OF MARKET SHARE IN THE OECD COUNTRIES. TAIWAN'S EXPORTS ACCOUNT FOR 2 PERCENT OF OECD IMPORTS OF MANUFACTURES AND 20 PERCENT OF TOTAL LDC EXPORTS TO THE DEVELOPED COUNTRIES.

THE UNITED STATES.

8. TAIWAN IS THE LEADING LDC SUPPLIER IN THE US MARKET, EXPORTING \$3.5 BILLION WORTH OF MANUFACTURES TO THIS COUNTRY LAST YEAR--MORE THAN 4 PERCENT OF US IMPORTS OF MANUFACTURES. THE ISLAND HOLDS DOMINANT POSITIONS IN:

FOOTWEAR--24 PERCENT OF THE US IMPORT MARKET--WITH A HEAVY EMPHASIS ON THE RAPIDLY GROWING MARKET FOR SPORTING GEAR.

CLOTHING--17 PERCENT OF THE US IMPORT MARKET--CONSISTING MAINLY OF CASUAL WEAR.

TVS, RADIOS, AND CBS--12 PERCENT OF THE US IMPORT MARKET. TAIWAN IS SECOND ONLY TO JAPAN AS AN EXPORTER OF THESE ITEMS TO THE UNITED STATES.

TAIWAN WILL SELL NEARLY 1.5 MILLION COLOR TV SETS AND CHASSIS IN THE UNITED STATES THIS YEAR. THESE SALES WERE GIVEN A BOOST BY THE 1977 ACCORD UNDER WHICH JAPAN AGREED TO LIMIT COLOR TV SHIPMENTS TO THE UNITED STATES TO 1.75 MILLION ANNUALLY.

JAPAN.

9. WITH ANNUAL IMPORTS OF ABOUT \$600 MILLION, JAPAN IS TAIWAN'S SECOND LARGEST FOREIGN CUSTOMER FOR MANUFACTURES. TAIWAN SUPPLIES NEARLY 20 PERCENT OF JAPANESE SHOE IMPORTS AND 12 PERCENT OF CLOTHING IMPORTS. OVERALL, TAIWAN FURNISHES 4 PERCENT OF JAPANESE MANUFACTURED IMPORTS. TAIWAN HAS RECENTLY SCORED IMPRESSIVE GAINS IN CHEMICAL SALES TO JAPAN MAINLY AS A RESULT OF TOKYO'S DECISION TO EXPORT POLLUTION-PRODUCING PETROCHEMICAL OPERATIONS TO COUNTRIES, SUCH AS TAIWAN, THAT ARE LESS CONCERNED

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ABOUT THE ENVIRONMENT.

10. JAPAN ALSO RELIES HEAVILY ON TAIWAN TO SUPPLY WESTERN-STYLE FURNITURE, WHICH IS RAPIDLY BECOMING POPULAR WITH THE JAPANESE. IN ADDITION, JAPAN USES TAIWAN AS A SUPPLIER OF COMPONENTS FOR TVS, RADIOS, AND WATCHES. MORE RECENTLY, TAIWAN HAS BEGUN TO SUPPLY THE JAPANESE MARKET WITH AUTO PARTS.

OTHER OECD.

11. TAIWAN'S SALES OF MANUFACTURES TO WESTERN EUROPE AND CANADA TOTALED \$1.7 BILLION IN 1977, 18 PERCENT OF TAIWAN'S EXPORTS. THE ISLAND EXPORTED \$1.2 BILLION TO THE EC LAST YEAR AND HELD A 1.2-PERCENT* (*TAIWAN'S MARKET SHARE IN EC COUNTRIES DECREASES CONSIDERABLY WHEN INTRA-EC TRADE IS TAKEN INTO ACCOUNT, DROPPING FROM 1.2 PERCENT TO 0.5 PERCENT FOR ALL MANUFACTURED GOODS EXPORTS. TAIPEI'S SHARE OF FOOTWEAR EXPORTS TO WEST GERMANY, FOR INSTANCE, DROPS FROM 12 PERCENT TO LESS THAN 4 PERCENT WHEN INTRA-EC TRADE IS INCLUDED.

SHARE OF EC MANUFACTURED IMPORTS. WEST GERMANY WAS THE BIGGEST CUSTOMER, BUYING MORE THAN \$500 MILLION IN TAIWANESE PRODUCTS IN 1977, NOTABLY FOOTWEAR, FURNITURE, TVS, RADIOS, AND PHONOGRAPHS. TAIWAN HAS ABOUT A 3-PERCENT SHARE OF THE IMPORT MARKET OF THE UNITED KINGDOM AND CANADA.

THE THIRD WORLD.

12. TAIWAN'S MANUFACTURED EXPORTS TO LDCS HAVE GROWN SPECTACULARLY, FROM ONLY \$300 MILLION IN 1970 TO \$2.1 BILLION LAST YEAR. THE SALES SURGE HAS BEEN CONCENTRATED MAINLY IN OPEC AND THE PACIFIC BASIN; EXPORTS TO LATIN AMERICA AND AFRICA REMAIN SMALL. ROUGHLY ONE-FOURTH OF TAIWAN'S LDC EXPORTS GO TO OPEC COUNTRIES, WHERE TAIWANESE FIRMS ARE GAINING A SUBSTANTIAL SHARE OF THE CONSTRUCTION BUSINESS. SAUDI ARABIA, FOR EXAMPLE, PURCHASES ABOUT \$100 MILLION ANNUALLY IN STEEL FOR CONSTRUCTION (REINFORCEMENT BARS AND GIRDERS) FROM TAIWAN. OTHER SIZABLE THIRD WORLD CUSTOMERS ARE IN THE PACIFIC BASIN, PARTLY REFLECTING THE CLOSE

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TIES OF TAIWANESE BUSINESSMEN WITH OVERSEAS CHINESE. THE CLOTHING INDUSTRY IN THE CROWN COLONY OF HONG KONG, FOR EXAMPLE, TAKES ONE-HALF OF TAIWAN'S SYNTHETIC TEXTILE OUTPUT. TAIWAN HAS ALSO BEEN ACTIVE IN SELLING WHOLE PLANTS TO ITS BASIN NEIGHBORS; AN AGREEMENT TO SUPPLY A STEEL-ROLLING MILL HAS JUST BEEN INKED WITH INDONESIA.

COMPETITIVE FACTORS.

13. SEVERAL FACTORS LIE BEHIND TAIWAN'S ABILITY TO MAKE SUCH RAPID INDUSTRIAL GAINS AND SUCH STRIKING INROADS IN FOREIGN MARKETS. THE COUNTRY POSSESSES AN INDUSTRIOUS, STRONGLY MOTIVATED LABOR FORCE. SECONDLY, THE GOVERNMENT HAS PROMOTED RAPID EXPORT GROWTH, PARTICULARLY BY ENCOURAGING THE TIMELY EXPANSION OF KEY EXPORT INDUSTRIES. THIRDLY, THIS FAVORABLE ENVIRONMENT HAS LED TO LARGE-SCALE INVESTMENT BY FOREIGN FIRMS IN MODERN PRODUCTION FACILITIES.

EFFICIENT LABOR FORCE.

14. TAIWAN HAS AN EXCELLENT LABOR BASE TO ATTRACT FOREIGN INVESTMENT AND FOSTER INDUSTRIAL GROWTH. AFTER THE COMMUNISTS CAME TO POWER IN PEKING A SIZABLE NUMBER OF EDUCATED AND INDUSTRIOUS CHINESE CAME TO TAIWAN FROM THE MAINLAND. LIKE OTHER OVERSEAS CHINESE, THE WORKERS ARE ENERGETIC, WELL-DISCIPLINED, AND HIGHLY MOTIVATED TOWARD MATERIAL GAINS. NEARLY ONE-HALF OF THE LABOR FORCE HAS AT LEAST NINE YEARS OF FORMAL EDUCATION; THE LITERACY RATE FOR THE ADULT POPULATION IS 91 PERCENT. ONE OUT OF FIVE WORKERS HAS AN ADVANCED VOCATIONAL OR COLLEGE EDUCATION.

15. FURTHERMORE, THE LABOR FORCE HAS NOT PUSHED FOR EXCESSIVE WAGE GAINS AND HAS ALLOWED TAIPEI TO GIVE INVESTMENT PRIORITY OVER IMMEDIATE CONSUMER SPENDING. NOMINAL WAGES HAVE RISEN AT AN AVERAGE ANNUAL RATE OF 7 PERCENT OVER THE LAST SEVEN YEARS WHILE PRODUCTIVITY GROWTH IN MANUFACTURING HAS INCREASED BY ABOUT 6 PERCENT A YEAR. AS A RESULT, UNIT LABOR COSTS HAVE RISEN BY ONLY 10 PERCENT SINCE 1970. STRIKE ACTIVITY IS NIL AND LABOR UNIONS ARE PRACTICALLY UNKNOWN.

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SUPPORTIVE GOVERNMENT.

16. THE GOVERNMENT IN TAIPEI HAS MADE THE MOST OF TAIWAN'S UNDERLYING ECONOMIC STRENGTHS. IT GENERALLY ALLOWS WIDE FREEDOM OF ACTION TO INDUSTRIAL AND COMMERCIAL ENTERPRISES WHILE ENCOURAGING AND SUBSIDIZING DEVELOPMENT AND EXPORTS IN CERTAIN TARGET AREAS.

17. TAIPEI'S EXCHANGE RATE POLICY HAS BEEN GEARED TO MAINTAINING EXPORT COMPETITIVENESS. UNTIL RECENTLY, TAIWAN HAS KEPT ITS CURRENCY FIRMLY PEGGED TO THE US DOLLAR. DESPITE RAPID IMPROVEMENT IN DOMESTIC UNIT LABOR COSTS, THE TAIWAN DOLLAR HAS APPRECIATED ONLY 11 PERCENT AGAINST THE US DOLLAR SINCE 1970. MEASURED IN US DOLLAR TERMS, TAIWAN'S HOURLY WAGES STOOD AT ONLY 65 CENTS LAST YEAR--ROUGHLY ON A COMPETITIVE PAR WITH SINGAPORE AND SOUTH KOREA. ALTHOUGH THE APPRECIATION OF THE YEN AND THE RESULTING INCREASE IN THE COST OF IMPORTS FROM JAPAN (30 PERCENT OF TOTAL IMPORTS) HAS BOOSTED THE DOMESTIC INFLATION RATE BY 2 PERCENTAGE POINTS THIS YEAR, TAIWAN HAS ACCEPTED THIS INFLATION RATHER THAN FURTHER APPRECIATING ITS DOLLAR AND LOSING EXPORT COMPETITIVENESS.

18. THE GOVERNMENT GIVES FINANCIAL BREAKS AND OTHER AIDS TO EXPORT-ORIENTED FIRMS. IT HAS:

CREATED TAX- AND DUTY-FREE EXPORT PROCESSING ZONES TO ENCOURAGE INVESTMENT IN THE ASSEMBLY OF ELECTRONIC PRODUCTS, GARMENTS, AND PLASTIC PRODUCTS FOR EXPORT. SIXTY PERCENT OF FOREIGN INVESTMENT FUNDS HAVE FLOWED INTO TAIWAN'S THREE PROCESSING ZONES; 10 PERCENT OF TOTAL EXPORTS ORIGINATE IN THE ZONES.

EXEMPTED FROM DUTIES ALL RAW MATERIALS IMPORTED FOR THE MANUFACTURE OF EXPORT GOODS.

ESTABLISHED AN EXPORT-IMPORT BANK THIS MONTH WITH AN INITIAL CAPITALIZATION OF \$2.6 BILLION.

ALLOWED FIRMS TO DEDUCT 2 PERCENT OF EXPORT PROFITS FROM TAXABLE INCOME.

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GRANTED A 10-PERCENT REDUCTION IN BUSINESS TAXES FOR MANUFACTURING, MINING, AND HANDICRAFT CORPORATIONS THAT EXPORT MORE THAN ONE-HALF THEIR OUTPUT; EXEMPTED EXPORTERS FROM STAMP TAXES.

PROVIDED LOW INTEREST LOANS FOR RAW MATERIALS IMPORTS DESTINED FOR RE-EXPORT.

19. TAIPEI ALSO PLAYS AN EQUITY ROLE IN FIRMS AND INDUSTRIES JUDGED IMPORTANT TO THE COUNTRY'S EXPORT GROWTH, SUCH AS PETROCHEMICALS, STEEL, SHIPBUILDING, AND ELECTRONICS. DURING THE CURRENT SLOWDOWN IN THE WORLD SHIPBUILDING MARKET THE GOVERNMENT BAILED OUT THE INDUSTRY BY POURING \$200 MILLION INTO A JOINT PUBLIC-PRIVATE SHIPYARD PROJECT AND TOOK OVER FAILING FIRMS TO FORM THE PUBLICLY OWNED CHINA SHIPBUILDING CORPORATION. TAIPEI ALSO FUNNELS FUNDS INTO RESEARCH FACILITIES SUCH AS THE ELECTRONICS INDUSTRY RESEARCH CENTER TO DEVELOP INTEGRATED CIRCUITS AND THE INDUSTRIAL TECHNOLOGY RESEARCH INSTITUTE TO DEVELOP PRECISION MACHINERY.

KEY FOREIGN INVESTMENT

20. FOREIGN FIRMS PLAY A KEY ROLE IN EXPORT-ORIENTED INDUSTRIES, ACCOUNTING FOR ABOUT 30 PERCENT OF MANUFACTURED EXPORT EARNINGS. FOREIGN DIRECT INVESTMENT IN TAIWAN TOTALS \$1.5 BILLION, WITH AN ANNUAL AVERAGE INFLOW OF \$150 MILLION. IN THE MANUFACTURING SECTOR, MORE THAN 18 PERCENT OF TOTAL OUTPUT IS PRODUCED BY FOREIGN-CONTROLLED FIRMS; THE HEAVIEST CONCENTRATION IS IN THE ELECTRONICS, FOOTWEAR, AND AUTO PARTS INDUSTRIES. IN THE ELECTRONICS INDUSTRY, 18 OF THE 20 TELEVISION RECEIVER PRODUCERS ARE FOREIGN OWNED; US FIRMS CONTROL ABOUT ONE-HALF OF TV OUTPUT. ALL MAJOR US AND JAPANESE AUTO FIRMS OPERATE ASSEMBLY OR PARTS PLANTS IN TAIWAN.

LOOKING AHEAD.

21. TAIPEI IS TARGETING A 20-PERCENT RATE OF REAL EXPORT GROWTH THROUGH 1982 AND IS TAKING SEVERAL STEPS TO MEET THAT GOAL. TO KEEP THE BALL ROLLING ON FOREIGN INVESTMENT IN TAIWAN, THE GOVERNMENT RECENTLY PUT TOGETHER

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A NEW PACKAGE OF INCENTIVES INCLUDING MEASURES THAT (A) ALLOW AN ADDITIONAL ONE- TO THREE-YEAR GRACE PERIOD ON TAXES; (B) EXEMPT FROM TAXES INCOME USED FOR INVESTMENT IN MACHINERY AND EQUIPMENT; (C) ALLOW AN ANNUAL REPATRIATION OF 15 PERCENT OF INVESTED CAPITAL BEGINNING TWO YEARS AFTER STARTUP OF A FACILITY (A LIBERAL REPATRIATION ALLOWANCE FOR AN LDC); AND (D) PERMIT COMPANIES TO FULLY REMIT PROFITS AND INTEREST EARNINGS.

22. TO OVERCOME POSSIBLE LABOR SHORTAGES, TAIPEI IS DIRECTING FUTURE GROWTH TOWARD MORE CAPITAL-INTENSIVE INDUSTRIES. HIGH ON THE LIST ARE AUTOMOBILES AND PARTS, WHOLE PLANTS, FARM MACHINERY, CHEMICAL AND PETROCHEMICAL PRODUCTS, MACHINE TOOLS, AND ADVANCED ELECTRONIC GOODS. TO FOSTER GROWTH IN THESE INDUSTRIES, THE GOVERNMENT IS TAKING A VARIETY OF ACTIONS:

TAIWAN (WHICH NOW PLAYS HOST TO AUTO ASSEMBLY OPERATIONS) IS LOOKING TO THE EXPANDED PRODUCTION OF AUTO PARTS AS THE FORERUNNER OF A FULL-FLEDGED AUTO INDUSTRY. THE GOVERNMENT IS OFFERING TAX BREAKS AND SUBSIDIES TO ATTRACT AUTOMOTIVE INVESTMENT.

IN PETROCHEMICALS, THE GOVERNMENT HAS BUILT SEVERAL NAPHTHA CRACKERS TO PRODUCE RESINS AND IS SUBSIDIZING THE COST OF OIL USED AS FEEDER STOCK IN PETROCHEMICAL FACILITIES. THIS SUBSIDY GIVES TAIWANESE INDUSTRY A SUBSTANTIAL LEG UP ON JAPANESE COMPETITORS. IN ADDITION, THE GOVERNMENT HAS REORGANIZED THE PLASTICS INDUSTRY TO FORM THE VERTICALLY INTEGRATED FORMOSA PLASTICS CORPORATION AND HAS PLACED A HEAVY TAX ON RESINS DESTINED FOR DOMESTIC USE.

IN THE ELECTRONICS INDUSTRY, TAIPEI USES THE ELECTRONICS INDUSTRY RESEARCH CENTER TO PROMOTE DEVELOPMENT OF INTEGRATED CIRCUITS AND ADVANCED ELECTRONICS EQUIPMENT.

THE GOVERNMENT IS ALSO GIVING ITS BLESSING TO THE ESTABLISHMENT OF TAIWAN'S FIRST LARGE TRADING COMPANY, PATTERNED AFTER THE JAPANESE MODEL. THE PAN OVERSEAS CORPORATION, WHICH INCLUDES 40 LOCAL AND OVERSEAS FIRMS, OPENED FOR BUSINESS EARLY THIS MONTH. IT WILL PROVIDE

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OVERSEAS OUTLETS FOR MEMBER FIRMS AND ESTABLISH A GLOBAL
MARKET INFORMATION NETWORK. THE ORGANIZERS HOPE TO FORM
TIE-INS WITH LARGE FOREIGN DEPARTMENT STORES TO PROVIDE
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